



State of California - Natural Resources Agency
DEPARTMENT OF PARKS AND RECREATION
Office of Grants and Local Services

Statewide Park Development and Community Revitalization Program

Lease and Turn-Key Agreements Handbook

August 2026



Purpose:

The purpose of this document is to provide further instructions for Lease and Turn-key Agreements discussed under Checklist Item #9 – Project Site Status; Statuses #3 and #4.

- Ignore this document if the APPLICANT already owns the land in fee simple (Checklist Item #9 – Project Site Status; Status #1).
- Ignore this document if the APPLICANT is proposing an ACQUISITION to become the landowner (Checklist Item #9 – Project Site Status; Status #2).

Lease agreements (Checklist Item #9 – Project Site Status; Status #3) are completed when an APPLICANT is proposing to construct, operate and maintain a PROJECT on land owned by a separate public agency or utility district.

- The State must approve the lease agreement.
- The landowner must be a separate public agency or utility district.
- The APPLICANT would be responsible for operation and maintenance of the PROJECT for public use during the remainder of the 30-year CONTRACT PERFORMANCE PERIOD.

Turn-Key agreements (Checklist Item #9 – Project Site Status; Status #4) occur when an APPLICANT is proposing to construct a PROJECT, and upon PROJECT completion, transfer the PROJECT and CONTRACT obligation to the landowner.

- The State must approve the turn-key agreement.
- The landowner must be an eligible APPLICANT. See page 1 of the final SPP Application Guide for a list of eligible APPLICANTS.
- The landowner would be responsible for operation and maintenance of the PROJECT for public use during the remainder of the 30-year CONTRACT PERFORMANCE PERIOD.

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All words in SMALL CAPS are defined in the 2026 SPP Application Guide.

Status #3 - Lease Agreements

The following information is for Status #3 - Lease Agreements, page 55 of the SPP Application Guide. In this alternative to land ownership by the APPLICANT, the landowner is giving the APPLICANT permission to construct, operate and maintain the PROJECT during the 30- year CONTRACT PERFORMANCE PERIOD. The 30 years start with the APPROPRIATION DATE.

APPLICANTS should include A and B with their APPLICATION:

- A.** Provide the Grant Lease Agreement Applicant Checklist (sample on next page). The form lists the land tenure agreement requirements between the APPLICANT and the landowner.
- B.** Provide a signed copy of the agreement between the APPLICANT and the landowner. This can be the lease, joint powers agreement, easement, memorandum of understanding (MOU), etc.
 - A fillable copy of the Grant Lease Agreement Applicant Checklist form is available on the SPP website; www.parks.ca.gov/spp
 - On the signed land tenure lease agreement, highlight sections that meet the requirements listed in the Grant Lease Agreement Applicant Checklist.

Draft/Unsigned Agreements:

If the agreement cannot be signed at the time of APPLICATION submission, provide A and B as explained above with a letter(s) from the APPLICANT, signed by the AUTHORIZED REPRESENTATIVE and the landowner, in which each commits to signing the land tenure agreement should the GRANT be awarded. If the GRANT is awarded, the APPLICANT and landowner must sign the land tenure agreement before the GRANT CONTRACT can be approved and signed by the California Department of Parks and Recreation (DPR).

When the Public Agency/Utility cannot agree to a 30-year term requirement:

If the Public Agency/Utility has a policy prohibiting 30-year term agreements, the APPLICANT should provide the following:

- A and B, as explained above
- Letter(s) from the landowner and APPLICANT that:
 - States the landowner's policy prohibiting long term land tenure agreements.
 - Describes the past long-standing use (or likelihood of long-term use) of the property by the APPLICANT
 - States the landowner's commitment to renew the land tenure agreement with the APPLICANT in incremental periods to satisfy 30-year land tenure term requirement, absent any unforeseen circumstances.
 - The letter must be signed by the AUTHORIZED REPRESENTATIVE and the landowner.

DPR expects the GRANTEE to fully comply with the Use of Facilities terms of the GRANT CONTRACT. The GRANT ADMINISTRATION GUIDE, GRANT CONTRACT (and its provisions) are available under GRANT ADMINISTRATION at www.parks.ca.gov/spp. If the landlord does not renew a lease, and the GRANTEE cannot comply with the tenure period stated in the CONTRACT, DPR may hold the GRANTEE in breach of CONTRACT.

Sample Grant Lease Agreement Applicant Checklist

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GRANT LEASE AGREEMENT APPLICANT CHECKLIST

If the APPLICANT does not own the land in fee simple and is not going to acquire the land to become the landowner, then this checklist must be completed. *All items are required.*

Attach a copy of the signed agreement between the landowner and APPLICANT.

- Identify the page number(s) where each required item is in the agreement.
- Highlight the required items in the agreement.

Draft agreements are acceptable, but should be watermarked, stamped, or otherwise denoted as a draft version.

APPLICANT								
PROJECT NAME								
☒	AGREEMENT PAGE #(s)	REQUIRED ITEM(S)						
☐	N/A	Highlight in the Agreement <u>and</u> enter information below for: TYPE OF AGREEMENT (e.g., lease, joint powers agreement, easement, memorandum of understanding, etc.)						
☐		Highlight in the Agreement <u>and</u> enter information below for: PARTIES TO AGREEMENT and DATE SIGNED						
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">PARTY NAME AND TITLE 1</td> <td style="width: 40%;">DATE SIGNED</td> </tr> <tr> <td>PARTY NAME AND TITLE 2</td> <td>DATE SIGNED</td> </tr> <tr> <td>PARTY NAME AND TITLE 3</td> <td>DATE SIGNED</td> </tr> </table>	PARTY NAME AND TITLE 1	DATE SIGNED	PARTY NAME AND TITLE 2	DATE SIGNED	PARTY NAME AND TITLE 3	DATE SIGNED
PARTY NAME AND TITLE 1	DATE SIGNED							
PARTY NAME AND TITLE 2	DATE SIGNED							
PARTY NAME AND TITLE 3	DATE SIGNED							
☐		Highlight in the Agreement <u>and</u> enter information below for: TERM OF AGREEMENT						
		- SPP grants require at least 30 years of site control for GRANTEES to operate and maintain the site for public recreational use. - The 30 years begin with the APPROPRIATION DATE.						
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">START DATE</td> <td style="width: 50%;">END DATE</td> </tr> </table>	START DATE	END DATE				
START DATE	END DATE							

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☒	AGREEMENT PAGE #(s)	REQUIRED ITEM(S)
☐		Highlight in the Agreement: RENEWAL OPTION • The agreement must include an option, which can be non-binding, for the GRANTEE to renew the agreement beyond the original 30-year term.
☐		Highlight in the Agreement: TERMINATION CLAUSE Any of the following is acceptable: • No termination clause – the agreement is non-revocable. • Termination clause specifies the agreement is revocable <u>only</u> for cause. • The termination clause cannot allow the landowner to revoke the agreement without cause, i.e., at will.
☐		Highlight in the Agreement: SITE CONTROL, ROLES, AND RESPONSIBILITIES Should the GRANT be awarded: • The agreement authorizes the GRANTEE to proceed with the construction PROJECT. ◦ The GRANTEE may delegate construction to other entities. • The agreement establishes when the public can use the PROJECT and gives GRANTEE <i>permission to operate</i> the PROJECT SITE (such as scheduling recreational programs). ◦ The GRANTEE may delegate operational roles to other entities but is bound through the CONTRACT provisions to ensure full public access for the duration of the land tenure period. • The agreement identifies which entity will maintain the PROJECT SITE. The GRANTEE may delegate maintenance to other entities but is bound through the CONTRACT provisions to ensure maintenance of the PROJECT SITE for the duration of the land tenure period.

Frequently Asked Questions About the Grant Lease Agreement Applicant Checklist

1. If the APPLICANT owns the property, is the Lease Agreement Applicant Checklist required?

No. It is only required if the property is leased from a landowner.

2. If the APPLICANT will be acquiring the property to become the landowner, is Lease Agreement Applicant Checklist required?

No. For ACQUISITION PROJECTS, see item #2 on page 54 of the SPP Application Guide.

3. Operation Partnerships: If a city receives a GRANT award, could the city give operational site control to a NONPROFIT that will provide recreation and other community services on the project site?

NONPROFITS or other entities can partner with a GRANTEE to provide recreational and other community services. However, the GRANTEE is responsible for overseeing long-term PROJECT operations to ensure that the GRANT CONTRACT obligations are met. The PROJECT must remain open to the public when a NONPROFIT or other entity operates the site.

4. Can one city entity apply for an ACQUISITION and DEVELOPMENT or DEVELOPMENT only PROJECT receive a GRANT award, complete the PROJECT, and then transfer the GRANT CONTRACT obligations to another entity of the same city?

At the time of APPLICATION, the APPLICANT must provide an AUTHORIZING RESOLUTION using the template in the APPLICATION guide.

- The APPLICANT must include the following verbiage: “Note: (City Entity A) is the APPLICANT/GRANTEE, and (City Entity B) will assume the transfer of the CONTRACT obligations as described below.”
- The APPLICANT must add language to the AUTHORIZING RESOLUTION establishing its intent for “City Entity A” to transfer the CONTRACT obligations to “City Entity B” upon successful completion of the project, should the GRANT be awarded.
- The AUTHORIZING RESOLUTION must include language specifying that if the GRANT is awarded, “City Entity A” as the GRANTEE must comply with the CONTRACT provisions through project completion for 30 years, or until the State approves the transfer of the CONTRACT obligations to the “City Entity B”, whichever is earlier.

OGALS’ requirements ensure that the continuity of the CONTRACT obligations will be maintained for the benefit of the public if a competitive GRANT is awarded.

Note: The above arrangement may be discussed in the APPLICANT’S response to Checklist Item #8 - Applicant Capacity on page 53 of the Application Guide.

Status #4 - Turn-Key Agreements

The following information is for Status #4 - Turn-Key Agreements, page 55 of the SPP Application guide. A TURN-KEY PROJECT is when the APPLICANT proposes to complete the PROJECT with the intent to transfer the PROJECT and CONTRACT obligations to an eligible agency for long term operation and maintenance.

Turn-key agreements must be approved by the State.

The transferee must meet the following requirements:

- A. Be an eligible public agency: City, County, JOINT POWERS AUTHORITY, or DISTRICT as defined in the Application Guide.
- B. Must be, or will become, the landowner.
- C. Must be willing to accept and enter into a CONTRACT with DPR. This includes being responsible for long-term public use (operation and maintenance).

Provide all three documents in the APPLICATION:

- 1) Authorizing Resolution from the APPLICANT: Provide A and B below in the resolution. Refer to pages 37-38 of the SPP Application Guide for information on the resolution.
 - A) State the intent to transfer the PROJECT and CONTRACT obligations to the transferee (Eligible City, County, JOINT POWERS AUTHORITY, or DISTRICT) upon successful completion of the PROJECT, should the GRANT be awarded.
 - B) The APPLICANT's agency, not transferees, acknowledges that it will comply with the CONTRACT provisions until the State approves the transfer of the CONTRACT obligations to the transferee.
- 2) Authorizing Resolution from the transferee: The transferee will provide a separate resolution with the addition of A below. Refer to pages 37-38 of the SPP Application Guide for information on the resolution.
 - A) State the intent to accept the PROJECT and CONTRACT obligations from the _____ (name of the APPLICANT not transferee) upon successful completion of the PROJECT and the California Department of Parks and Recreation (DPR) approval of the transfer, should the GRANT be awarded.
- 3) A Turn-Key Agreement between the APPLICANT and the Transferee, signed by both parties. The agreement must include the stipulations shown in A and B below.
 - A) The PROJECT and GRANT CONTRACT obligations will be transferred from the (APPLICANT/GRANTEE) to the (transferee) upon PROJECT COMPLETION and approval of the transfer by the DPR.
 - B) If the GRANT is awarded, the APPLICANT/GRANTEE must comply with the CONTRACT provisions through project completion for 30 years, or until DPR approves the transfer of the CONTRACT obligations to the transferee, whichever is earlier.

These requirements ensure that the continuity of the CONTRACT obligations will be maintained for the benefit of the public if a competitive Proposition 4 GRANT is awarded.